ED 463 567 EA 031 566

AUTHOR Belfield, Clive R.

TITLE Political Preferences and the Privatization of Education:

Evidence from the UK. Occasional Paper.

INSTITUTION Columbia Univ., New York, NY. National Center for the Study

of Privatization in Education.

REPORT NO NCSPE-OP-18
PUB DATE 2001-03-00

NOTE 27p.

AVAILABLE FROM For full text: http://www.ncspe.org.

PUB TYPE Reports - Research (143) EDRS PRICE MF01/PC02 Plus Postage.

DESCRIPTORS Educational Economics; Elementary Secondary Education;

Foreign Countries; *Political Attitudes; *Politics of

Education; *Privatization; Voting

IDENTIFIERS *United Kingdom

ABSTRACT

Increasingly, education systems are being privatized through various changes to organizational structures, to school management, and to funding mechanisms. Yet education remains publicly funded and therefore accountable to taxpayer preferences through voting mandates. This paper investigates the determinants of political support for the privatization of education in the United Kingdom. The electorate is assumed to apply cost-benefit calculations, depending on their circumstances, and a set of criteria for evaluating educational reforms is linked to individual voters' characteristics. It is then possible to identify which voters would oppose or advocate educational reforms such as greater school competition, ability selection, and promotion of private schooling. Support for these reforms is then estimated using the British Educational Panel Survey. The results indicate that political preferences largely reflect the anticipated personal costs and benefits from educational reforms. Those with children are in favor of reforms to raise school competition, whereas those working in the education sector are against such reform. Those with higher anticipated tax liabilities favor privatization and support private schooling. Overall, however, educational reforms toward privatization received only minority support in Britain as of 1997. (Contains 29 references and 6 tables.) (Author/RT)



Occasional Paper No. 18

National Center for the Study of Privatization in Education

Teachers College, Columbia University

Political Preferences and the Privatization of Education: Evidence from the UK

Clive R. Belfield* U.S. DEPARTMENT OF EDUCATION **EDUCATIONAL RESOURCES INFORMATION** PERMISSION TO REPRODUCE AND CENTER (ERIC) DISSEMINATE THIS MATERIAL HAS March 2001 This document has been reproduced as BEEN GRANTED BY received from the person or organization originating it. C. Belfield Minor changes have been made to improve reproduction quality. Points of view or opinions stated in this document do not necessarily represent official OERI position or policy. TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

Abstract - This paper investigates the determinants of political support for the privatization of education in the UK. The electorate is assumed to apply cost-benefit calculations, depending on their circumstances; a set of criteria for evaluating educational reforms is linked to individual voters' characteristics. It is then possible to identify which voters would oppose or advocate educational reforms such as greater school competition, ability selection and promotion of private schooling. Support for these reforms is then estimated using the British Educational Panel Survey (1997). The results indicate that political preferences largely reflect the anticipated personal costs and benefits from educational reforms. Those with children are in favour of reforms to raise school competition; those working in the education sector are against such reform. Those with higher anticipated tax liabilities favour privatization and support private schooling. Overall, however, educational reforms toward privatization received only minority support in Britain as of 1997.

© March 2001 Clive R. Belfield.

^{*} The author acknowledges the Data Archive at the University of Essex as the distributor of the data. The Data Archive does not bear any responsibility for the author's analysis and interpretations of the data. Clive Belfield is the Assistant Director for Research at the National Center for the Study of Privatization in Education at Teachers College, Columbia University.



The Occasional Paper Series of the National Center for the Study of Privatization in Education (NCSPE) is designed to promote dialogue about the many facets of privatization in education. The subject matter of the papers is diverse, including research reviews and original research on vouchers, charter schools, home schooling, and educational management organizations. The papers are grounded in a range of disciplinary and methodological approaches. The views presented in these papers are those of the authors and do not necessarily represent the official views of the NCSPE.

If you are interested in submitting a paper, or wish to learn more about the NCSPE, please contact us at:

NCSPE Box 181 Teachers College, Columbia University 525 W. 120th Street New York, NY 10027

(212) 678-3259 (telephone) (212) 678-3474 (fax) ncspe@columbia.edu www.tc.columbia.edu/ncspe



1. Introduction

Increasingly, education systems are being privatized through various changes to organizational structures, to school management and to funding mechanisms (Patrinos, 2000; Belfield, 2000). Much of this change has been driven by the ideologies for and evidence on marketization (see the discussions in Cohn, 1997, and by Levin, 2000). Yet, substantially, education remains publicly funded and therefore still accountable to taxpayer preferences through voting mandates. Surprisingly, though, there is only limited research on voters' opinions and preferences in relation to privatization in education. This paper aims to fill this lacuna, using UK evidence on individuals' political opinions.

Given public funding of education, direct opinions on education privatization are particularly important. First, the political process itself may only imperfectly represent the electorate's views: elections are sporadic and require voters to express preferences across many issues in a single vote. And for many, who do not lie close to the margin of the electoral decision, voting has extremely low power to effect change. Detailed study of individuals' preferences may therefore aid in predicting support for specific proposals (such as greater competition between schools). Second, the preferences regarding privatization of a particular voter with a vector of characteristics may not be immediately predictable. Support for privatization may come from diverse social groupings, each seeking a particular outcome from educational reforms; coalitions of diverse 'special interest' groups may therefore develop.\(^1\) Third, privatization is debated through the legal system, which also aims to reflect the preferences of its citizens.\(^2\) Legal reform may be a superior way to generate education reforms that reflect popular support. Finally, privatization itself is a complicated



¹ For discussion of the inability of past voucher schemes to satisfy coalition groups, see Catterall (1982). For a discussion of how voting maps to preferences, see Lewis-Beck and Paldam (2000). Shachar and Nalebuff (1999) report on the rational investment patterns of political parties to influence voters in marginal districts.

reform: plans for privatization vary significantly and voters may be unwilling to expend effort on understanding these plans (see Sanders, 2000, for a general discussion of voter ignorance). Preferences can illustrate the extent of the electorate's understanding. Overall, therefore, studies of popular preferences are of direct policy relevance; and this is reflected in the increasing use of the electoral and legal systems to challenge and or promote privatization (e.g. the California and the Michigan voucher initiative in the November 2000 US elections). The extent to which such preferences are rational or logical also merits explicit enquiry.

This paper speaks to these issues. First, the public policy arguments and economic models of privatization are considered. These lead to testable predictions as to which individuals are the strongest supporters and opposers of privatization in education. Second, the data available for analysis is described. Third, estimation and testing of the predictions is performed. In a final section, a conclusion is provided.

2. Theory

2.1 Economic Model for Voter Preferences

An economic basis is adopted here for understanding voters' preferences. Voters must first anticipate the consequences of various education reforms. Then they must relate these consequences to their own situation, as a cost-benefit calculation, and to their own value frame. The cost-benefit model assumes that preferences are rational and stable.³ The costs are the amounts spent on students; the benefits are private returns from greater human capital (to the enrolee and his/her household) and social from the spillovers of human



² Court-mandated funding amendments, how courts reflect societal preferences, and legal rulings on charter schools are discussed respectively by Murray et al. (1998), Sunstein and Holmes (1999), and Kemerer (2000).

³ Sanders (2000), using the same UK data, finds voters are sufficiently knowledgeable about the paths of economic phenomena such as unemployment and inflation, even if their point estimates are inaccurate. Looking at the US evidence

capital into social capital (to the rest of the electorate). It is expected that where the consequences of an education reform either raise costs, lower benefits, or run counter to one's value frames, individuals will be predisposed against such reform.

At issue is therefore how people put values on particular educational reforms. Levin (2000) suggests educational reforms can be evaluated across a number of domains, including freedom to choose; productive efficiency; and social cohesion. Voters may consider, for example, that a reform that promotes private schooling permits freedom of choice but at the expense of social cohesion. As another example, an education reform that promotes greater competition between schools may raise productive efficiency. These domains can be used to relate particular voter characteristics to support for a set of educational reforms.

2.2 Voter Characteristics

Three groups of voters are identifiable with respect to the relative burden of costs and the relative amount of benefits of education. One group will obtain private benefits from education (human capital), as well as the social benefits of living with an educated citizenry (social capital). Most obvious members of this group are households with school enrolees. Also, as education is generally subsidised, relatively this group underpays the costs. A second group will obtain the social benefits, but relatively overpay the costs of education via taxation (because they are high-income earners). A third group will obtain the social benefits, but relatively underpay the costs also (because they earn low incomes).

Each group can also be understood in terms of the evaluative domains. Those who reap both private and social benefits will emphasise freedom of choice. Those who bear a high cost burden will emphasise productive efficiency. Those who only obtain the social



4

on votes against voucher reforms, the proportions against such schemes appears stable at around two-thirds (Menendez, 1999). Systematic preferences may therefore exist.

benefits will emphasise the social cohesion effects of education. Each group can be identified by a set of specific characteristics.

The first group - obtaining private benefits at relatively low cost - has the clearest motives. Support for educational reform will be strongly contingent on whether or not the individual has children of school age. A related characteristic here is gender: it remains the case that females engage in relatively more child-rearing than males; they would therefore place greater emphasis on increases in education provision/quality. Such individuals should favour freedom of choice (and possibly greater productive efficiency to the extent that it reflects enhanced educational quality and not cost-cutting). Importantly, given that this group gains the most private benefits, their views on reform will indicate whether these reforms are felt (a) to increase freedom of choice and (b) to raise productive efficiency.

There are subsets within this first group. In particular, those who have chosen schooling outside the public/government school system should be most strongly in favour of choice, as should those with a strong religious affiliation (James, 1993). Individuals will also differ in the extent to which they can benefit from changes in education quality (their private human capital returns to education). Householders who rent may be able to move between education authorities (school districts) in response to education quality; homeowners will not be able to move so easily; and those in government housing will also have limited choice. The last of these may place a premium on raising educational quality generally. Finally, another characteristic influencing a voter's returns to education is the individuals' own education level: individuals with more own education may have more ability and may desire more education for their own children (to the extent that there is intergenerational pass-through of ability or preferences, Mulligan, 1999).

The second group – those directly paying the greatest burden for public education—will emphasise reforms to stimulate productive efficiency so as to reduce costs. These individuals are assumed to be (net) income taxpayers and more wealthy individuals (higher socio-economic status and or higher incomes). Within this group, however, those working in the education sector may form views about education policy differently from those working in other sectors of the economy. Education sector workers may have different views about the merits of investment in education and education policy generally; they may also see education policy changes as directly and substantively impacting on their own incomes or employment prospects.

The third group - only reaping social benefits and paying relatively few provision costs - include those at home or who are retired. It also includes those already receiving government subventions, such as pensioners, those on income support, and those adults in full-time study.⁴ It may be also be appropriate to proxy this group (net recipients of transfers) as having low socio-economic status. (Within this group, older individuals may perceive the lowest social benefits to greater investments in educational quality, unless they value intergenerational transfers equally to own utility). This group would seek educational reforms that raise social cohesion.

In addition to these characteristics that work via the cost-benefit calculus of educational reform, an additional set of independent variables may also reflect values. These are individual characteristics that influence voting propensities and political beliefs and so views on appropriate education policy (e.g. religious beliefs, citizenship status, or political party affiliation). Education levels may also be correlated with a willingness to engage in



⁴ As a second order effect, this group may also favour educational reforms that boost productive efficiency: such reforms may allow saved resources to be diverted to disbursements targeted to them. Alternatively, these individuals may see productive efficiency reforms as part of a general impetus to cut any government disbursements.

political opinion-forming (for strong correlations between education levels and voting, see Shachar and Nalebuff, 1999, 533). These are included as control variables in estimations of voting patterns against a set of possible education reforms.

2.3 Education Policy and Reforms

One simple education policy is to increase government expenditures on education. Although the effectiveness of such increases is debatable (see Hanushek, 1998), most voters would anticipate that the quality of education would improve with greater funding. Those directly benefiting from education would favour, and those incurring the additional cost burden would oppose, such reforms. Specifically, where this reform involves additional funding through income taxes (rather than transferred funds from other government programmes), wage earners would be anticipated to be the greatest opponents, along with those who do not use the education system. Also, those who consider that education quality is already satisfactory may oppose further investments in education.

A second educational reform would be to increase competition between schools (as for the UK, see Bradley et al., 1998; West et al., 1999; for New Zealand, see Fiske and Ladd, 2000). Competition reform may increase freedom of choice and (perhaps) productive efficiency (see Blair and Staley, 1995; Hoxby, 1999), but it may adversely impact on social cohesion (and on equity). However, competition reform may be considered as an alternative to increased funding.

A third reform would be to encourage school selection of students based on ability. Such reform may raise productive efficiency, although the extent to which tracking is beneficial is moot (Levin, 1997; Gamoran, 1992). Also possible are the adverse effects on social cohesion and equity (and perhaps freedom of choice). The most likely opponents of selection are therefore those in the third group, i.e. those of lower socio-economic status.



7

The most likely advocates of selection are, therefore, those with high incomes and/or high ability children and those with children and high incomes (as selective schools may price discriminate and enrol high-income, low-ability students on higher tuition fees, see Rothschild and White, 1995).

The fourth reform would be to eliminate private schooling. This would reduce the freedom to choose but (probably) enhance social cohesion (and equity), leading lower socio-economic groups to favour such reform. To the extent that it would reduce competition (or preclude differentiated demand), a public school monopoly may also impinge on productive efficiency. In addition, therefore, to those groups emphasising efficiency, those who have enrolled their children in private schooling would oppose the abandonment of private schooling.

Finally, individuals may have preferences for a society with stronger economic imperatives, i.e. where there is greater privatization across any government services. Investigation of general privatization is of interest insofar as views about educational privatization are reflected in views on economic privatization broadly considered. That is, do individuals who generally favour privatization also favour greater privatization of education? Here, those who are net tax-payers would be in favour of more general privatization, with other characteristics having weaker power.

Unavoidably, the above analysis has simplified what may in fact be complicated issues.⁵ Proponents and opponents may seek to disguise their interests either with reason or with appeals to fairness. Privatization agendas may be embedded in others (see the conflation of 'choice' with 'privatization', as noted by Carnoy, 2000). However, although



⁵ Education privatization has a number of components: for the school, it may involve greater contracting out of educational services; for the individual, it may mean a wider of choice of school (to include private provision); and for government, outright privatisation would eliminate all government subsidies (Cohn, 1997).

there is potential for some misunderstanding of complex political decisions, individuals do incur costs in being ignorant of education policy. (Plus, support for democracy fundamentally rests on voter competence). It is therefore reasonable to assume some voter competence and some shared understanding — albeit at a very general level — of the economic and social consequences of education policy.

3. Data

To test the above model we use data from the British Election Panel Study 1997-2002 (Heath et al., 1997). So far, four waves are available but only the first wave is used here, based on responses to a survey immediately after the 1997 election (won by the Labour party). This wave has a response rate of 62% to yield a sample of 3615. The sample for the survey was based on postcodes, with households having an equal probability of selection, but also included over-sampling of Scotland. Sample weights are used here which adjust for the fact that individuals in single-person households and residents in Scotland were therefore more likely to be surveyed. The survey includes voting patterns, but is used here to examine political opinions and preferences.⁶

Frequencies for the dependent and independent variables are given in Tables 1D and 1I. There are six dependent variables of interest. Respondents are asked for their general views on education policy and privatization. Respondents are asked as to their agreement with: (1) 'The government should spend more money on education'; and (2) 'Government should raise income tax by one penny in the pound in order to spend more on education'. For each of these questions individuals could agree (strongly); agree; neither agree nor disagree; or disagree (strongly). This five-point scale is collapsed into a binary variable with



⁶ Hence it is not necessary to model political participation, e.g. in terms of the closeness of the election or the effort expended by political parties to encourage voting (see Shachar and Nalebuff, 1999).

the value 1 for agree (strongly). For the first variable, 72% (definitely) agree with the statement. For increases in education that involve more taxation, 59% are in favour.

Respondents were also asked to identify their extent of agreement on a five-point scale with the following statements: (3) 'It is a good thing for schools to be made to compete against each other for pupils'; (4) 'The cleverest children should be selected for education in separate schools such as grammar schools'; and (5) 'Government should get rid of private education in Britain.' Using the same binary codification, Table 1D shows 25% of individuals in favour of school competition; 38% in favour of school selection by ability; and 20% consider the government (definitely) should get rid of private education.

Finally, individuals were asked to rate their position on a thirteen-point continuum, ranging from 'Some people feel that government should nationalise many more private companies... Other people feel that government should sell off many more nationalised industries... [And] Other people have views that are in-between'. Individuals are here represented using the dummy variable 'in favour of more privatization' if they are in the extreme four categories of the continuum. Using this definition, only 19% are in favour of more privatization.

Looking across these variables, it is notable that the phraseology and intent of the question influences the inferences drawn. So one may interpret the British electorate as being for or against educational 'freedom to choose'. Voters are 'for choice' in that four-fifths do not oppose private education but 'against choice' in that only one quarter favour school competition. Direct inferences from cross-tabulations of voter preferences may therefore be regarded with some scepticism. However, these frequencies for the dependent variables are little changed when we use only those who voted in the 1997 general election (about 2300 of the 3500 sample). There is slightly more support for competition and



10

privatization, but it is not substantial. Here, therefore, we focus on which individual characteristics determine preferences.

Table 1I shows the independent variables, including gender, number of children, work status, education levels, age and political affiliation. For socio-economic status, we have a five-class scale, where V is low socio-economic status. These show a reasonable spread of characteristics, including 8% of the sample working in the Education sector and 4% of the sample not British citizens.

4. Estimation and Results

4.1 Views on Government Funding of Education

Probit estimations are reported in Table 2 for views about government funding of education. Here, prediction is made of whether: (a) the government should spend more money on education; and (b) government should raise income tax by 1 penny in the pound in order to spend more on education. Ostensibly, these are companion questions.⁷ However, the estimation yields results that are not entirely consensual.

Characteristics that lead individuals to favour increased spending on education are identifiable from the estimation in column 1 of Table 2. Plausibly, female voters and those with children favour further investments in education (and those who are single are against them). Investments in education are not clearly regarded as progressive: income has only a weak effect and those in the middle socio-economic groups are in favour (although those in work do oppose further investment). Also plausibly, older voters - who only obtain social benefits - are against increased expenditures (the default category for age is over 65). Further, preferences for more spending are plausibly linked to party affiliations: Labour and



⁷ The questions are asked in separate sections of the questionnaire (and in different formats). This separation should minimise the likelihood that individuals will perceive that their answers are not consistent.

Liberal Democrat voters are in favour of more government spending on education; Conservative voters are against. Finally, individuals are less likely to support additional government spending if they feel that the quality of education has improved since 1992.

When individuals are asked to trade-off increased taxation with further investment in education, the estimation yields much lower predictive power. As reported in column 2 of Table 2, gender is no longer significant, as with marital status and presence of children in the household. Again, political affiliation has strong predictive power, as does the individual's work status. However, age and education have contrary effects across the estimations in Table 2. Younger individuals and those with no education qualifications are in favour of extra spending on education, but against extra spending from income tax.⁸

Given these discrepancies, it is possible to explore the relationship between these two companion variables. Although the correlation between individuals responding 'yes' to both questions is highly significant, the correlation is by no means perfect. Only 69% of those who are in favour of more government expenditure on education are in favour of raising income tax to enable that expenditure. These views are of course not (necessarily) inconsistent: favouring more government expenditure on education could be at the cost of less expenditure on other government programmes; and individuals may be against tax increases either hypothecated, or of (the size of) 1 penny, or on incomes. Nevertheless, 18% of those who favour (b) are not in favour of (a); these 334 individuals appear to report inconsistent opinions within the survey. However, these proportions are in part a consequence of collapsing the five-point scales into binary variables: using the five-point scale, only 1% of respondents report distinctly inconsistent views (i.e. clearly favouring (b)



⁸ Neutral effects of own education on opinions regarding private schooling and competition are also found by Filer and Muenich (2000) for Eastern Europe.

but not (a)). Regardless, re-estimation of Table 3, using ordered probit estimation and the five-point scale, yields almost identical results to those reported here. Classification matters for interpreting the frequencies, but the determinants are less sensitive.

4.2 Views on Education Policy

Table 3 reports on individuals' views on education policy, i.e. school competition, school selection of students by ability and abandonment of private education. Probit estimation was used for the three dependent variables.⁹

The results for competition and school selection are similar. There is strong support from those in the group who are predicted to favour freedom of choice: those with children and those having private education. Interestingly, older respondents favour competition and selection. Also plausible is the negative coefficient on competition for those individuals who work in the education sector and positive for those whose children have been or are in private education. Political affiliation is also logical: those favouring the Conservative Party are pro-competition and pro-selection. Generally, however, there appear to be few income effects on views about competition and selection. Higher earners do prefer selection (at the 5% level), but there are no clear socio-economic influences (and the interpretation of the accommodation variable is not obvious). This income-neutrality can be interpreted as



⁹ In a separate estimation, similar regression analysis was undertaken on responses to 'As a result of a Scottish parliament, would the quality of education in Scotland be better or worse?' Very few significant variables were evident from such estimation. This result is plausible, nonetheless: in a survey of Economists, Fuchs et al. (1998) found no consensus of the effect of decentralisation on test scores in the US. Similarly null effects from decentralisation in the UK may be inferred from Bullock and Thomas (1997).

¹⁰ Two possible reasons for the antipathy of younger voters may be conjectured. If younger voters assume that competition and selection will deleteriously influence education, then they are more likely to suffer the intergenerational costs (perhaps through higher unemployment insurance payments to under-educated workers). On the other hand, if younger voters assume competition and selection will enhance education, they may oppose it on the grounds that these more highly educated individuals will soon be competing with them in the labour market.

¹¹ Also plausible is the positive correlation between competition and the dummy variable for respondents believing that education has improved since 1992 – a period over which greater competition was encouraged in the UK.

indicating that neither competition nor selection is expected to have much influence on productive efficiency.

For abandonment of private schooling, a measure of freedom of choice, few characteristics emerge as significant. However, almost all characteristics cohere with those for competition and selection (with opposite signs indicating coherence). Those in the education sector favour abandonment of private education, as do those with affiliation to the Labour party (and individuals with no identifiable religious belief). The one conflicting variable is that for the education of the respondent (the default category is graduates): those with no qualifications are opposed to competition and selection, but also opposed to the abandonment of private schooling. (Looking at US voting patterns for the US, Menendez (1999, 77) reports no clear educational effects). Generally, though, these results allow for plausible interpretations.

4.3 Views on Privatization

Table 4 shows general views on privatization. Two clearly strong characteristics which influence views on privatization are: gender, with females being substantially less likely to favour greater privatization; and age, with younger individuals less in favour. Plausibly, views on privatization reflect party principles: those who align or affiliate themselves with the Conservative party are much more likely to favour further privatization, and vice versa for supporters of the Labour party. Also plausible is the favourable view of workers to privatization (perhaps in the belief that these translate into lower income taxes). Finally, the education of the respondents affects their views on privatization: those with university education are more likely to be generally in favour.

4.4 Sensitivity Analysis



The above estimations were subject to sensitivity analysis. First, the binary dependent variables were re-coded into ordinal variables and ordered probit estimation applied. Second, a different set of weights was applied for the estimation – these weights including voting propensities as well as sampling probabilities. Third, estimation was undertaken without the party affiliation variables – such variables might be another 'representation' of preferences rather than exogenous determinants of preferences. Finally, the sample was redefined to include more individuals who responded 'don't know' to the questions (interpreting this response as 'not in favour' of particular education policies). None of these sensitivity tests materially altered the signs and significance of the coefficients reported above.

4.5 Predictions of Voter Preferences

The above estimation allows for prediction of voters most predisposed toward competition in schooling and most in favour of privatization. These propensities – for a particular vector of voter characteristics – are reported in Table 5.

The average predicted probability of supporting school competition is 0.252. This probability is higher for males, those over 65, and those with a university education. Probability of support is increased by almost two-thirds when the individual is male with children who attended private school, to 0.393. Party affiliation raises the probability of support for competition further, to 0.432. Conversely, females report lower support for competition, particularly for younger voters and those who work directly in the education sector. Females with incomes dependent on government security payments have a probability of supporting competition that is 45% lower than the average.¹²



¹² However, these individuals may have a lower probability of voting such that the support for competition may receive a stronger political mandate than is reported here.

Privatization receives even weaker support. The predicted average support is 0.184. Similarly, this rises for older individuals, those with degrees and those with children in private education. Again, party affiliation is a strong predictor of predisposition toward privatization. More notable is the drop in support for privatization amongst voters who are female and either work in the education sector, are under 25, or receive government income support. The last subgroup has a very low probability of supporting privatization. (In the US, there have been 24 votes on vouchers, with only one being passed, Menendez, 1999).

5. Conclusion

This paper has investigated voter opinions regarding education policies and privatization for the UK. These preferences are of fundamental importance for guiding education policy and so the allocation of taxpayers' resources. Yet little research has been done on the determinants of these preferences.

Our results are plausible. Generally, individuals who anticipate gaining the most from an educational reform do appear to express greater support for such reform, and vice versa for those who bear a relatively larger cost burden. This fits with a view of voters as self-interested and rational. But personal characteristics also appear to influence views in a manner that cannot be explained through economic models, in particular own education (and possibly religious affiliation). Perhaps more pertinent – albeit specific to the UK – is the lack of engagement with education reforms which may boost productive efficiency and with privatization in general.

As well, these results are also tentative: they cannot indicate what voters understand by multi-layered terms such as 'privatization' or 'school choice' or indeed why these individuals express the opinions they do. (Although the correlation between party affiliation and manifesto is of some comfort in this respect). Nevertheless, these results suggest some



consistency in views about privatization and education policy. Specifically, it is possible to impute clear preferences for freedom of choice (by voters with children) and for productive efficiency (by net taxpayers).



References

- Belfield, CR. 2000. Economic Principles for Education: Theory and Evidence. Edward Elgar: Cheltenham.
- Blair, JP and S Staley. 1995. Quality competition and public schools: further evidence. *Economics of Education Review*, **14**, 193–98.
- Bradley, S, Johnes, G and J Millington. 1998. School choice, competition and the efficiency of secondary schools in England. University of Lancaster, mimeo.
- Bullock, AD and HR Thomas. 1997. Schools at the Centre. A Study of Decentralisation. Routledge: London.
- Carnoy, M. 2000. School choice? Or is it privatization? Educational Researcher, 29, 15-20.
- Catterall, J. 1982. The politics of education vouchers. Unpublished thesis, Stanford University.
- Cohn, E. 1997. Market Approaches to Education. Oxford: Pergamon.
- Filer, RK and D Muenich. 2000. Responses of private and public schools to voucher funding: the Czech and Hungarian experience. Working paper, CUNY.
- Fiske, EB and H Ladd. 2000. When Schools Compete. Brookings Institution: Washington.
- Fuchs, VR, Krueger, AB and JM Poterba. 1998. Economists' views about parameters, values and policies: survey results in labor and public economics. *Journal of Economic Literature*, **XXXVI**, 1387–1425.
- Gamoran, A. 1992. The variable effects of high school tracking. *American Sociological Review*, **57**, 812–828.
- Hanushek, EA. 1998. Conclusions and controversies about the effectiveness of schools. Federal Reserve Bank of New York Economic Policy Review, 4, 1–22.
- Heath, A, Jowell, R, and JK Curtice. 2000. British Election Panel Study, 1997-2002. [computer file]. Second edition. Colchester, Essex: The Data Archive [distributor], 27 November 2000. SN: 4028.
- Hoxby, CM. 1999. Where should federal education initiatives be directed? In Kosters MH. (ed.) Financing College Tuition. Government Policies and Educational Priorities. Washington, DC: AEI Press.
- James, E. 1993. Why do different countries choose a different public-private mix of educational services? *Journal of Human Resources*, **28**, 571–592.



18

- Kemerer, F. 2000. Legal issues involving privatization and accountability. NCSPE, Teachers College, Columbia University, Occasional Paper #7.
- Levin, HM. 1997. Educational vouchers: effectiveness, choice and costs. *Journal of Policy Analysis and Management*, **17**, 373-392.
- Levin, HM. 2000. The public-private nexus in education. NCSPE, Teachers College, Columbia University, Occasional Paper #1.
- Lewis-Beck, MS and M Paldam. 2000. Economic voting: an introduction. *Electoral Studies*, **19**, 113-121.
- Menendez, AJ. 1999. Voters versus vouchers. An analysis of referendum data. *Phi Delta Kappan*, 76-80.
- Mulligan, C. 1999. Galton versus the human capital approach to inheritance. *Journal of Political Economy*, **107**, s184-s224.
- Murphy, J. 1996. The Privatization of Schooling. Problems and Possibilities. Corwin Press, Inc.: California, USA.
- Murray, SE, Evans, WN and RM Schwab. 1998. Education-finance reform and the distribution of education resources. *American Economic Review*, **88**, 789–812.
- Patrinos, HA, 2000. Market forces in education. European Journal of Education, 35, 53-64.
- Rothschild, M and LJ White. 1995. The analytics of pricing in Higher Education and other services in which customers are inputs. *Journal of Political Economy*, **103**, 573–586.
- Sanders, D. 2000. The real economy and the perceived economy in popularity functions: how much do voters need to know? A study of British data, 1974-97. *Electoral Studies*, **19**, 275-294.
- Shachar, R and B Nalebuff. 1999. Follow the leader: theory and evidence on political participation. *American Economic Review*, **89**, 525–547.
- Sunstein, C and R Holmes. 1999. The Costs of Rights. Norton: New York.
- West, A, Pennell, H and P Noden. 1998. School admissions: Increasing equity, accountability and transparency. *British Journal of Educational Studies*, **46**, 188–200.



Table 1D
Frequencies for Dependent Variables

Variable name	%	<i>N</i>
Strongly agree:		
Favors greater government expenditure on education	, 71.76	3579
In favor of increased taxes for education	59.24	3586
School competition for students is good	24.98	3563
In favor of school selection by ability	37.92	3575
Government should get rid of private education	20.03	3566
Four categories most in favor:		
More privatization for the economy:	18.87	3494

Data are weighted for sample selection.



Table 1I Frequencies for Independent Variables

Variable name	Mean	SD
Female	0.5077	0.5000
Children: 0	0.6348	0.4815
Children: 1	0.3645	0.4814
Children: >1	0.1517	0.3588
Marital status: single	0.1830	0.3867
Marital status: single Marital status: married	0.5982	0.4903
Marital status: other	0.2188	0.4135
Work status: educ. sector	0.0790	0.2698
Work status: not education sector	0.5137	0.4999
Work status: government pension	0.1216	0.3268
Work status: of income: government credit	0.1090	0.3117
Highest qualification: degree	0.1034	0.3045
Highest qualification: A-level	0.2770	0.4476
Highest qualification: O-level	0.3030	0.4596
Highest qualification: none	0.3125	0.4636
Children in private schooling	0.1195	0.3244
Accommodation: home owner	0.7096	0.4540
Accommodation: government subsidized	0.1492	0.3564
Accommodation: rented	0.1412	0.3482
Socio-economic status: I	0.0413	0.1990
Socio-economic status: II	0.2568	0.4369
Socio-economic status: III	0.4376	0.4962
Socio-economic status: IV	0.1646	0.3709
Socio-economic status: V	0.0616	0.2404
Age 18-24	0.1087	0.3114
Age 25-34	0.1994	0.3996
Age 35-44	0.1947	0.3960
Age 45-54	0.1783	0.3828
Age 55-59	0.0629	0.2429
Age 60-64	0.0699	0.2551
Age 65+	0.1830	0.3867
British citizen	0.9639	0.1865
No religious belief/affiliation	0.3327	0.4712
Political affiliation: Liberal Democrat	0.1203	0.3254
Political affiliation: Labour	0.4244	0.4943
Political affiliation: Conservative	0.2768	0.4475
Income	19634	13044
Quality of education improved since 1992 .	0.1387	0.3456
N	3615	

Data are weighted for sample selection.



TABLE 2 VIEWS ON EDUCATION FUNDING

	Increase spend	Increase spending on education		ion for spending o
				ation
	Coeff.	(SE)	Coeff.	(SE)
Female	0.1313	(0.0531)**	0.0442	(0.0499)
Children	0.2672	(0.0662)**	0.0743	(0.0613)
Marital status: single	-0.1640	(0.0864)*	-0.0550	(0.0830)
Marital status: other	0.0601	(0.0683)	-0.0239	(0.0634)
Private education	-0.0076	(0.0805)	0.0946	(0.0778)
SESI	0.1223	(0.1580)	0.1583	(0.1523)
SESII	0.2576	(0.1074)**	0.1824	(0.1014)*
SESIII	0.1799	(0.0956)*	0.1919	(0.0902)*
SESIV	0.1131	(0.1055)	0.1171	(0.0990)
Work status: educ. sector	0.0137	(0.1094)	0.0677	(0.1046)
Work status: other sectors	-0.1794	(0.0766)**	-0.3247	(0.0714)**
Work status: Pensioner	-0.1806	(0.1107)	-0.0473	(0.1088)
Work status: Govt credit	0.0325	(0.1122)	0.0396	(0.1033)
Accomm.: Own home	-0.0809	(0.0831)	-0.2529	(0.0776)**
Accomm.: Council	-0.1003	(0.1004)	-0.2490	(0.0927)**
Earnings (ln)	-0.0061	(0.0431)	0.0409	(0.0400)
Age 18-24	0.2590	(0.1471)*	-0.5248	(0.1411)**
Age 25-34	0.3103	(0.1252)**	-0.3227	(0.1195)**
Age 35-44	0.3911	(0.1264)**	-0.0471	(0.1199)
Age 45-54	0.2922	(0.1164)**	0.1056	(0.1126)
Age 55-59	0.2261	(0.1333)*	0.0436	(0.1294)
Age 60-64	0.1766	(0.1200)	0.0302	(0.1182)
Highest Ed: No qualifs.	0.2111	(0.1095)*	-0.1891	(0.1042)*
Highest Ed: O levels	0.3114	(0.1011)**	-0.0110	(0.0955)
Highest Ed: A levels	0.2307	(0.0937)**	-0.0184	(0.0897)
British citizen	0.0752	(0.1469)	0.4155	(0.1382)**
No religious belief	0.0633	(0.0568)	0.0952	(0.0530)*
Political aff.: Lib Democrat	0.2736	(0.0982)**	0.5472	(0.0917)**
Political aff.: Labour	0.2659	(0.0726)**	0.3061	(0.0670)**
Political aff.: Conservative	-0.4318	(0.0780)**	-0.1078	(0.0745)
Education improved since '92	-0.2687	(0.0713)**	-0.2194	(0.0689)**
Constant	0.0043	(0.4566)	-0.3121	(0.4255)
Observations	30	<i>191</i>	30	95

Data are weighted for sample selection. Robust standard errors in parentheses.



^{*} significant at 5% level; ** significant at 1% level

TABLE 3
VIEWS ON EDUCATION POLICY

	<u> </u>		IN FA	OUR OF:		
	-	tion between for students		selection of s by ability		ent of private
·	Coeff.	(SE)	Coeff.		Coeff	
F 1	0.0757	(0.0526)	0.0075	(0.0515)	0.0138	(0.05(()
Female	-0.0757	(0.0536)	-0.0275	(0.0515)		(0.0566)
Children	0.1517	(0.0661)*	0.0001	(0.0635)	0.0855	(0.0692)
Marital status: single	0.1126	(0.0920)	-0.0091	(0.0881)	0.1276	(0.0944)
Marital status: other	0.0309	(0.0684)	-0.2057	(0.0654)**	0.0162	(0.0718)
Private education	0.2136	(0.0789)**	0.0536	(0.0785)	-0.1116	(0.0933)
SESI	-0.1072	(0.1631)	-0.2200	(0.1606)	0.0841	(0.1731)
SESII	0.0123	(0.1113)	-0.0172	(0.1082)	0.0632	(0.1160)
SESIII	-0.0584	(0.1013)	0.1530	(0.0972)	0.0727	(0.1018)
SESIV	-0.0980	(0.1119)	0.0381	(0.1070)	0,0946	(0.1109)
Work status: educ. sector	-0.2741	(0.1103)**	-0.0800	(0.1041)	0.1832	(0.1104)*
Work status: other sectors	-0.0704	(0.0755)	0.1011	(0.0741)	-0.0901	(0.0800)
Work status: Pensioner	-0.1017	(0.1158)	0.0846	(0.1092)	0.3540	(0.1247)**
Work status: Govt credit	-0.2972	(0.1154)**	0.0645	(0.1069)	0.1248	(0.1095)
Accomm.: Own home	0.1313	(0.0854)	-0.1828	(0.0799)*	-0.0737	(0.0856)
Accomm.: Council	0.0852	(0.1043)	-0.2471	(0.0968)**	0.0651	(0.0986)
Earnings (ln)	-0.0469	(0.0433)	0.0783	(0.0424)*	0.0468	(0.0451)
Age 18-24	-0.3559	(0.1544)*	-1.3193	(0.1522)**	-0.0116	(0.1615)
Age 25-34	-0.2436	(0.1272)*	-1.0029	(0.1225)**	-0.1557	(0.1380)
Age 35-44	0.0113	(0.1268)	-0.7342	(0.1221)**	-0.1401	(0.1369)
Age 45-54	-0.0063	(0.1185)	-0.5128	(0.1132)**	-0.0221	(0.1300)
Age 55-59	0.1154	(0.1346)	-0.1335	(0.1294)	0.1704	(0.1459)
Age 60-64	-0.1488	(0.1281)	-0.1539	(0.1176)	-0.0340	(0.1367)
Highest Ed: No qualifs.	-0.2466	(0.1090)*	-0.2414	(0.1055)*	-0.2682	(0.1168)*
Highest Ed: O levels	-0.1329	(0.0986)	-0.1099	(0.0965)	-0.2761	(0.1080)**
Highest Ed: A levels	-0.0797	(0.0923)	-0.2011	(0.0905)*	-0.0970	(0.0993)
British citizen	0.0901	(0.1569)	0.0428	(0.1459)	-0.0447	(0.1519)
No religious belief	-0.0894	(0.0571)	-0.0595	(0.0544)	0.2209	(0.0585)**
Political aff.: Lib Democrat	0.1139	(0.0980)	0.0495	(0.0916)	-0.1423	(0.1019)
Political aff.: Labour	0.0176	(0.0766)	-0.1235	(0.0708)*	0.3271	(0.0738)**
Political aff.: Conservative	0.5769	(0.0813)**	0.6098	(0.0775)**	-0.5428	(0.0942)**
Education improved since '92	0.1380	(0.0734)*	-0.0959	(0.0741)	0.0519	(0.0809)
Constant	-0.3100	(0.4593)	-0.3340	(0.4488)	-1.2133	(0.4781)**
Observations	_	<i>3076</i>	3	088	3	088

Data are weighted for sample selection. Robust standard errors in parentheses.



^{*} significant at 5% level; ** significant at 1% level

TABLE 4
GENERAL PREFERENCES REGARDING PRIVATIZATION

In favor of privatization for the economy (Coeff.) (SE) (0.0585)**Female -0.2267Children -0.0437 (0.0736)-0.0337(0.0993)Marital status: single 0.0098 (0.0737)Marital status: other 0.1467 (0.0850)*Private education -0.1922 (0.1712)**SESI** -0.1169 (0.1179)**SESII** -0.2824 (0.1071)****SESIII** -0.1132 **SESIV** (0.1179)-0.1084 (0.1259)Work status: educ. sector Work status: other sectors 0.2627 (0.0848)**-0.1738 (0.1223)Work status: Pensioner Work status: Govt credit -0.2330 (0.1287)*-0.0782 (0.0921)Accomm.: Own home 0.1595 (0.1106)Accomm.: Council -0.0420 (0.0478)Earnings (ln) -0.4362 (0.1642)**Age 18-24 -0.4095 (0.1362)**Age 25-34 -0.4234 (0.1378)**Age 35-44 -0.3711 (0.1274)**Age 45-54 Age 55-59 -0.0710 (0.1422)-0.0315 (0.1305)Age 60-64 -0.1909 (0.1169)Highest Ed: No qualifs. -0.2603 (0.1071)**Highest Ed: O levels -0.2460 ,(0.0998)** Highest Ed: A levels -0.1822 (0.1573)British citizen (0.0619)No religious belief 0.0573 Political aff.: Lib Democrat -0.0986 (0.1083)-0.2350 (0.0823)**Political aff.: Labour Political aff.: Conservative 0.5202 (0.0859)**-0.0103 (0.0807)Education improved since '92 0.3005 (0.4970)Constant

Data are weighted for sample selection. Robust standard errors in parentheses.

Observations



3042

^{*} significant at 5% level; ** significant at 1% level

TABLE 5
PROBABILITY OF VOTING FOR GREATER COMPETITION IN SCHOOLING

Characteristics:	Prob(In favour of competition in schooling)	Prob(In favour of privatization for the economy)
Male and Conservative	0.432	0.382
Male and private education	0.393	0.312
Male and degree educated	0.326	0.292
Male and age 65 plus	0.280	0.255
Male	0.264	0.217
Predicted average	0.252	0.184
Female	0.241	0.154
Female and works in education	0.210	0.129
Female and age 18-24	0.166	0.113
Female and government credit	0.147	0.085
Observations	3076	3042

^aProbabilities evaluated at the mean for all other characteristics.





Organization/Address:

U.S. Department of Education

Office of Educational Research and Improvement (OERI) National Library of Education (NLE) Educational Resources Information Center (ERIC)



REPRODUCTION RELEASE

	(Specific Document)	
I. DOCUMENT IDENTIFICATION	N:	
Title: Political profes Education F	rences and the prin	otization of
Author(s): Bell ell	<u> </u>	
Corporate Source:		Publication Date:
	and the second of the second o	
II. REPRODUCTION RELEASE	<u> </u>	
monthly abstract journal of the ERIC system, Re and electronic media, and sold through the ERI reproduction release is granted, one of the follow. If permission is granted to reproduce and disse	e timely and significant materials of interest to the educes ources in Education (RIE), are usually made available IC Docurnent Reproduction Service (EDRS). Credit is wing notices is affixed to the document. The identified document, please CHECK ONE of the control of the identified document.	ole to users in microfiche, reproduced paper copy is given to the source of each document, and, i
of the page. The sample sticker shown below will be affixed to all Level 1 documents	The sample sticker shown below will be affixed to all Level 2A documents	The sample sticker shown below will be affixed to all Level 2B documents
PERMISSION TO REPRODUCE AND DISSEMINATE THIS MATERIAL HAS BEEN GRANTED BY	PERMISSION TO REPRODUCE AND DISSEMINATE THIS MATERIAL IN MICROFICHE, AND IN ELECTRONIC MEDIA FOR ERIC COLLECTION SUBSCRIBERS ONLY, HAS BEEN GRANTED BY	PERMISSION TO REPRODUCE AND DISSEMINATE THIS MATERIAL IN MICROFICHE ONLY HAS BEEN GRANTED BY
sample	sample	sample
TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)	TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)	TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
Level 1	2A	2B
†	Level 2A	Level 2B
Check here for Level 1 release, permitting reproduction and dissemination in microfiche or other ERIC archival media (e.g., electronic) and paper copy.	Check here for Level 2A release, permitting reproduction and dissemination in microfiche and in electronic media for ERIC archival collection subscribers only	Check here for Level 2B release, permitting reproduction and dissemination in microfiche only
	ents will be processed as indicated provided reproduction quality posproduce is granted, but no box is checked, documents will be proce	
as indicated above. Reproduction fro	ources Information Center (ERIC) nonexclusive permiss om the ERIC microfiche or electronic media by perso he copyright holder. Exception is made for non-profit rep tors in response to discrete inquiries.	ons other than ERIC employees and its system
Signature: (// // / / / /	Printed Name/Po	osition/Title:

E-Mail Address:

Date:

III. DOCUMENT AVAILABILITY INFORMATION (FROM NON-ERIC SOURCE):

If permission to reproduce is not granted to ERIC, or, if you wish ERIC to cite the availability of the document from another source, please provide the following information regarding the availability of the document. (ERIC will not announce a document unless it is publicly available, and a dependable source can be specified. Contributors should also be aware that ERIC selection criteria are significantly more stringent for documents that cannot be made available through EDRS.)

Publisher/Distributor:			•
		•	
Address:			
Price:			·
", "	TO 000/010/17/0500	ODLIGTION DIGI	TO HOLDED
IV. REFERRAL OF ERIC	TO COPYRIGHT/REPR	ODUCTION RIGH	ITS HOLDER:
IV. REFERRAL OF ERIC 1 If the right to grant this reproduction reladdress:			
If the right to grant this reproduction rel			
If the right to grant this reproduction reladdress:			
If the right to grant this reproduction reladdress:			
If the right to grant this reproduction reladdress:			
If the right to grant this reproduction reladdress:			
If the right to grant this reproduction reladdress:			

V. WHERE TO SEND THIS FORM:

Send this form to the following ERIC Clearinghouse:

ERIC Clearinghouse on Educational Management

1787 Agate Street

5207 University of Oregon Eugene, OR 97403-5207 Attn: Acquisitions

However, if solicited by the ERIC Facility, or if making an unsolicited contribution to ERIC, return this form (and the document being contributed) to:

> **ERIC Processing and Reference Facility** 4483-A Forbes Boulevard Lanham, Maryland 20706

> > Telephone: 301-552-4200 Toll Free: 800-799-3742 FAX: 301-552-4700

e-mail: ericfac@inet.ed.gov WWW: http://ericfac.piccard.csc.com

FF-088 (Rev. 2/2000)